



INDUSTRY CIRCULAR

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms
Washington, D. C. 20226

Number: 87-8

Date: 11/13/87

LABEL DISCLOSURE FOR BRANDY TREATED WITH WOOD (27 C.F.R. 5.39(c))

Distilled Spirits Plant Proprietors, Importers and Others
Concerned:

Purpose. The purpose of this circular is to advise industry members that ATF Ruling 87-3 is being modified by a new ruling which will be published in the next issue of the Alcohol, Tobacco and Firearms Quarterly Bulletin. The ruling reads substantially as follows:

In order to afford industry members sufficient time to make label revisions to comply with section 5.39(c), the Bureau of Alcohol, Tobacco and Firearms is extending the use-up period for existing certificates of label approval until December 31, 1988.

Background. In ATF Rul. 87-3 (A.T.F. Q.B. 1987-3, 12), and corresponding Industry Circular 87-6 (dated September 4, 1987), the Bureau of Alcohol, Tobacco and Firearms (ATF) addressed the question of whether brandy treated with wood, in forms other than chips or slabs (e.g., extracts, powders, infusions, etc.), at any time during the production process, was subject to the label disclosure requirement in 27 C.F.R. 5.39(c). Specifically, section 5.39(c) reads as follows:

Treatment with wood. The words "colored and flavored with wood _____ (insert chips, slabs, etc., as appropriate)" shall be stated as a part of the class and type designation for whisky and brandy treated, in whole or in part, with wood through percolation, or otherwise, during distillation or storage, other than through contact with the oak container.

The Bureau also addressed the question of whether brandy produced with an ingredient that had been treated with wood (e.g., blending sherry) was subject to the provisions of section 5.39(c), and whether Cognac, in particular, treated with wood was subject to the provisions of § 5.39(c).

ATF Rul. 87-3 held that brandy (including Cognac), treated with wood in any form, either directly or indirectly, at any point in the production process, up to and including the time of bottling, must comply with the requirements of 27 C.F.R. 5.39(c). ATF Rul. 87-3 further held that existing certificates of label approval for brandies which did not meet the requirements of the ruling would expire at midnight, December 31, 1987. In addition, applications for certificates of label approval received on or after September 1, 1987, had to meet the requirements discussed in the ruling.

ATF believes that in order to avoid placing an undue burden on the industry, and to afford industry members sufficient time to make revisions to comply with section 5.39(c), an extension of the use-up period for existing certificates of label approval is warranted.

Held, existing certificates of label approval for brandies which do not meet the requirements of ATF Rul. 87-3 will expire at midnight, December 31, 1988.

ATF Ruling 87-3 (A.T.F. Q.B. 1987-3, 12), and corresponding Industry Circular 87-6 (dated September 4, 1987), are modified.

Inquiries. Inquiries concerning this circular should refer to its number and be addressed to: Associate Director (Compliance Operations), Bureau of Alcohol, Tobacco and Firearms, 1200 Pennsylvania Avenue, NW, Washington, DC 20226.

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Director

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